

§ 256.33

§ 256.33 For what period of time is interest computed under 31 U.S.C. 1304(b)?

Interest is computed from the date that Fiscal Service receives the copy of the judgment until the date preceding the appellate court's affirmative ruling. If the United States files a Notice of Appeal which it later withdraws, interest is paid on the award through the date before the withdrawal of the Notice of Appeal.

§ 256.34 Does the Judgment Fund pay all litigation costs?

Fiscal Service certifies for payment only those costs that are enumerated in the cost statute, 28 U.S.C. 1920, or as set forth under a statute that specifically governs payment of the award.

Subpart E—Reimbursements to the Judgment Fund

§ 256.40 When must an agency reimburse the Judgment Fund?

Agencies are required to reimburse the Judgment Fund for payments made pursuant to the Contract Disputes Act (CDA), 41 U.S.C. 612, and payments made pursuant to the Notification and Federal Employees Antidiscrimination and Retaliation Act of 2002 (No FEAR), 5 U.S.C. 2301 note. The TFM, available on the Judgment Fund Web site at <http://www.fiscal.treasury.gov/judgefund>, contains more information about how Fiscal Service bills agencies and collects such reimbursements.

§ 256.41 When is reimbursement due for CDA and No FEAR payments?

Reimbursement for a CDA or No FEAR payment should be made promptly upon notification from Fiscal Service of the amount due. If the agency is unable to timely reimburse Fiscal Service, the agency must contact Fiscal Service to establish a reimbursement plan. Under Office of Personnel Management (OPM) regulations, No FEAR reimbursements or payment reimbursement plans must be made within 45 days of the request for reimbursement. See 5 CFR part 724. Agencies that do not meet this requirement will be listed on Fiscal Service's public Web site.

31 CFR Ch. II (7–1–15 Edition)

Subpart F—Additional Provisions

§ 256.50 How does Fiscal Service process back pay awards?

The submitting agency may request one of two methods to process back pay awards.

(a) One method has three parts. The first part is a payment of net back pay (and interest if authorized), which is sent to the plaintiff or to the plaintiff's attorney, as directed by the submitting agency. The second part is a payment to the agency of deductions from the net back pay. The third part is a payment of attorney fees, which is sent directly to the attorney.

(b) Under the second method, Fiscal Service pays the entire back pay award to the agency out of whose actions the claim arose. The agency then issues amounts representing back pay (and interest if authorized) to the plaintiff and retains amounts representing deductions. Fiscal Service pays the attorney fees directly to the attorney.

[71 FR 60849, Oct. 17, 2006; 71 FR 62050, Oct. 20, 2006]

§ 256.51 Does Fiscal Service report Judgment Fund payments to the IRS as income to the payee on IRS Form 1099?

No, Fiscal Service does not report Judgment Fund payments as potential taxable income to the IRS. Fiscal Service does not have sufficient information about the payment to determine if a Form 1099 must be issued or to prepare such a form when required. To the extent any Form 1099 needs to be issued, it is the responsibility of the agency submitting the payment request to do so.

§ 256.52 How does Fiscal Service issue a payment?

Pursuant to 31 CFR part 208, Judgment Fund payments are to be made by electronic funds transfer (EFT). Fiscal Service will issue an electronic payment to the payee's account as specified on the appropriate Judgment Fund form. If a submitting agency determines that a waiver (in accordance